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October 1, 1997

BY HAND DELIVERY

Kay Flynn
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 961230-TP

Dear Kay:

Pursuant to our conversation today, enclosed is a copy of the letter from Jeffery P. Caswell, Sprint's National Account Manager, to Ms. Michelle Berkovitz, MCI metro Access Transmission Services, Inc., dated August 18, 1997, with a cc: Florida Public Service Commission. This is the letter to which Document No. 08761-97 responds.

As agreed to with Carolyn Raeppe, on behalf of MCI, would you please place this letter in the record of Docket No. 961230-TP to be included in the record to be sent to the United States District Court.

Yours truly,

[Handwritten signature of John P. Fons]

John P. Fons

- ACK
AFA
APP
CAF JPF/csu
CMU Enclosure
CTR cc: Carolyn Raeppe
EAG David Smith
LEG David Murray
LIN
OPC
ROH
SEC 1
WAS
OTH [Handwritten signature]

DOCUMENT NUMBER-DATE

10094 OCT-25

FPSC-RECORDS/REPORTING



2330 Starwest Mission Parkway
Wenwood, KS 66205

VIA CERTIFIED MAIL

August 18, 1997

Ms. Michelle Berkovitz
MCImetro Access Transmission Services, Inc.
8521 Leesburg Pike
Vienna, VA 22182

Dear Ms. Berkovitz:

On or about April 16, 1997, United Telephone Company of Florida and Central Telephone Company of Florida ("Sprint") and MCImetro Access Transmission Services, Inc. entered into an Interconnection/Resale Agreement for the purposes designated under Sections 251 and 252 of the Telecommunications Act of 1996. The Agreement was filed with the Florida Public Service Commission on or about April 14, 1997, and was approved by Commission Order dated May 20, 1997.

On July 18, 1997, the Eighth Circuit Court of Appeals rendered its decision in Iowa Utilities Board v. FCC, et al. (No. 96-3321, 1997 WL 403401, 8th Cir., 1997) which followed the Court's decision in the companion case of Competitive Telecommun. Ass'n. v. FCC (No. 96-3604, 1997 WL 352284, 8th Cir. June 27, 1997). In these decisions the Court substantially vacated many of the regulations adopted by the Federal Communications Commission (FCC) to implement the Telecommunications Act of 1996. Our negotiation of our Agreement with you was based upon our belief that the FCC interpretations of and its associated regulations to implement the Act were correct as a matter of law. The Eighth Circuit Court decision changes that through its finding that many of the regulations adopted by the FCC indeed violated the Act. Specifically, the Court overturned the FCC regulations relative to: the determination of wholesale prices; the pricing of and access to unbundled network elements; application of intrastate access charges to unbundled network elements; our obligation to recombine network elements for you into a telecommunications service; our obligation to provide service quality to you in excess of that which we provide to ourselves; and your ability to pick and choose from the rates, terms and conditions of other contracts.

Because the negotiation and arbitration of our Agreement with MCImetro were conducted under the framework of the FCC's regulations, which the Court has found to not comply with the requirements of the Act, we believe the Agreement must be brought into compliance with the requirements established by the Court. Accordingly, as provided for in our Agreement, this letter serves as our notice to you that we desire to exercise our right to make such changes or modifications to our Agreement as are necessary to bring it into compliance in the areas generally described above. We will provide to you under separate cover a more detailed listing of the specific issues and the proposed modifications which we believe must be made to our Agreement with you.

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Ms. Michelle Berkovitz
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We sincerely hope that we can reach a prompt and mutually satisfactory resolution of this situation and we will certainly exercise our best efforts to do so. Should we not be able to reach agreement on the necessary changes to our Agreement with you, we will seek the intervention of the state Public Service Commission pursuant to Section 2 of our Agreement. In the meantime, please be assured that our intent is only to bring our Agreement with you into compliance with the law and to in no way compromise your continued ability to operate pursuant to all other nonaffected terms and conditions of our Agreement. Please call me if you have any questions.

Sincerely,

Jeffrey P. Caswell
Jeffrey P. Caswell
National Account Manager

cc: Florida Public Service Commission

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AUG 25 '97 11:49AM SPRINT EXEC OFFICE